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August 18, 2006

VIA OVERNIGHT DELIVERY

Charles L.A. Terreni, Chief Clerk and Administrator

Public Service Commission of South Carolina
Synergy Business Park
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Surety Bond, K07423767

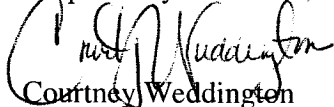
Dear Mr. Terreni:

Comtel Telcom Assets LP d/b/a Excel Telecommunications and VarTec Solutions ("Comtel") hereby submits a \$5,000 executed surety bond to the South Carolina Public Service Commission for its telecommunications operations within the state. On June 7, 2006, Comtel and VarTec Telecom, Inc., Excel Telecommunications, Inc. and VarTec Solutions, Inc. ("VarTec Companies") consummated an asset purchase agreement through which Comtel acquired certain assets, including existing customers, out of bankruptcy from the VarTec Companies. The individual bonds of \$5,000 each currently in place for the corporate entities, Excel Telecommunications, Inc. and VarTec Solutions, Inc. are in the process of being canceled by the surety company. Comtel expects that the Commission will receive notice of these cancellations in short order if not received already.

Please note that Comtel is not currently offering prepaid services; however, the Company is proactively providing a surety bond, K07423767, in the event that the Company would like to offer the aforementioned services in the near future.

Comtel sincerely appreciates your time and attention to this filing. Please direct any inquiries regarding this filing to the undersigned at Courtney.Weddington@excel.com or at (972) 478-3376. Acknowledgment and date of receipt of this filing are respectfully requested. Please date and file stamp the attached copy of this correspondence and return it in the enclosed pre-addressed, postage-prepaid envelope.

Respectfully submitted,


Courtney Weddington

Senior Regulatory Analyst

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PUBLIC SERVICE
COMMISSION

Enclosures

cc: Becky Gipson
Senior Director, Regulatory Affairs

Office of Regulatory Staff

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LICENSE AND/OR PERMIT BOND

Bond No: K07423767

KNOW ALL MEN BY THESE PRESENTS:

That we, Comtel Telcom Assets LP d/b/a Excel Telecommunications, as Principal and Westchester Fire Insurance Company, incorporated under the laws of the State of Pennsylvania, with principal office in Philadelphia, as Surety, are held and firmly bound unto State of South Carolina Public Service Commission as Obligee, in penal sum of Five Thousand and 00/100 --- (\$5,000), lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly, by these presents.

WHEREAS, the above bounden Principal has obtained or is about to obtain from the said Obligee a license or permit for interexchange services, and the term of said license or permit is as indicated opposite the block checked below:

X Continuous, beginning the 15th day of August, 2006

WHEREAS, The Principal is required by law to file with State of South Carolina Public Service Commission a bond for the above indicated term and conditioned as hereinafter set forth.


NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, That if the above bounden Principal as such licensee or permittee shall indemnify said Obligee against all loss, costs, expenses or damage to it caused by said Principal's non-compliance with or breach of any laws, statutes, ordinances, rules or regulations pertaining to such license or permit issued to the Principal, which said breach or non-compliance shall occur during the term of this bond, then this obligation shall be void, otherwise to remain in full force and effect.

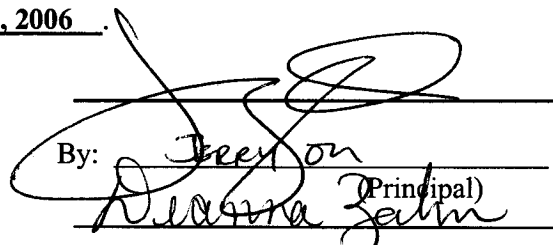
PROVIDED, that if this bond is for a fixed term, it may be continued by Certificate executed by the Surety hereon; and

PROVIDED FURTHER, that regardless of the number of years this bond shall continue or be continued in force and of the number of premiums that shall be payable or paid, the Surety shall not be liable hereunder for a larger amount, in the aggregate, than the amount of this bond, and

PROVIDED FURTHER, that if the Surety shall so elect, this bond may be canceled by the Surety as to subsequent liability by giving thirty (30) days notice in writing to said Obligee.

Signed, sealed and dated the 15th day of August, 2006.


(Witness)
Von Dale Hawill
(Witness)


By: Deanna Zahn (Principal)
By: Deanna Zahn
Attorney-In-Fact

(SEAL)



Know all men by these presents: That **WESTCHESTER FIRE INSURANCE COMPANY**, a corporation of the State of New York, having its principal office in the City of Atlanta, Georgia, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on November 8, 1999, to wit:

- "RESOLVED, that the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:
- (1) That the President, any Senior Vice President, any Vice President, and Assistant Vice President, or any Attorney-in-Fact, may execute for and on behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Corporate Secretary, or any Assistant Corporate Secretary, and the seal of the Company affixed thereto, and that the President, any Senior Vice President, any Vice President or any Assistant Vice President may appoint and authorize any other Officer (elected or appointed) of the Company, as Attorneys-In-Fact to so execute or attest to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto.
 - (2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested to by the Corporate Secretary.
 - (3) The signature of the President, or a Senior Vice President, or a Vice President, or an Assistant Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the signature of a certifying Officer and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company.
 - (4) Such other Officers of the Company, and Attorneys-In-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavit or record of the Company necessary to the discharge of their duties.
 - (5) The passage of this Resolution does not revoke any earlier authority granted by Resolutions of the Board of Directors."

Does hereby nominate, constitute and appoint **SANDRA MICHAEL, JANE M. DAMON, DEANNA ZAHN and MARGARET NICKS** all of the City of Dallas, State of Texas, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof in penalties not exceeding Ten Million Dollars (\$10,000,000) and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said Stephen M. Haney, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **WESTCHESTER FIRE INSURANCE COMPANY** this 9th day of February 2006.



WESTCHESTER FIRE INSURANCE COMPANY

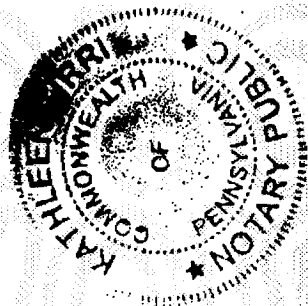
Stephen M. Haney

Stephen M. Haney, Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF PHILADELPHIA ss.

On this 9th day of February, A.D. 2006, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia came Stephen M. Haney, Vice-President of the **WESTCHESTER FIRE INSURANCE COMPANY** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written.



NOTARIAL SEAL
Kathleen Tirri, Notary Public
Philadelphia, Philadelphia County
My commission expires September 22, 2007

Kathleen Tirri

Notary Public

I, the undersigned Secretary of **WESTCHESTER FIRE INSURANCE COMPANY**, do hereby certify that the original POWER OF ATTORNEY, of which the foregoing is a substantially true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Secretary, and affixed the corporate seal of the Corporation, this _____ day of _____



George D. Mulligan

George D. Mulligan, Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER February 9, 2008.